

First Tui area horizontal oil production well completed for AWE

2 March 2007 - Tui area oil field operator Australian Worldwide Exploration Ltd (AWE) reports that it has successfully completed the first of its four horizontal production wells Tui-2H.

The Ocean Patriot semi-submersible rig was moving to the second of the two wells in the Tui field Tui-3H to complete drilling at that site. Four horizontal production wells are being drilled, including one each in the Pateke and Amokura fields close to Tui in the Tui area development within PMP 38158 approximately 50 km off the Taranaki coast.

After drilling the initial vertical well, the Tui-2H horizontal well was sidetracked from a measured depth of 4100 metres to 5950 metres at a near horizontal angle to follow the top of the oil reservoir.

The oil column encountered along the length of this well path varied from seven metres to approximately 20 metres deep.

Production tubing with a slotted liner was then successfully run into the 1850m-long horizontal drainage hole.

First oil from the Tui project is expected by June 2007. When fully commissioned, production is anticipated to peak at 50,000 bopd.

Oil production from each of the four subsea wellheads will feed through underwater lines to the permanently-moored FPSO vessel Umuroa.

Prosafe, the contractor for the vessel, said that a naming ceremony for the floating production storage and offloading vessel FPSO Umuroa was held recently at Keppel Shipyard in Singapore.

The Umuroa was officially named by Jacqueline Phillips, wife of Bruce Phillips, managing director of Sydney-based field operator AWE. Representatives of the Tui partners AWE, Mitsui E&P New Zealand, NZOG and Pan Pacific Petroleum, plus Prosafe and Keppel representatives were also present.

Prosafe said Umuroa will be delivered from the shipyard in March, only 16 months after contract award. The vessel is chartered to a subsidiary of AWE for an initial period of five years with options to extend with a further five years.

Umuroa will be capable of producing 120 000 barrels of fluid per day, 50 000 barrels of oil per day and 118 000 barrels of water per day, with a storage capacity of 730 000 barrels. The vessel will be moored in 120 m of water and will be Prosafe's first FPSO offshore New Zealand. First oil will be delivered in the second quarter of 2007.

The name, Umuroa, is a Maori word. Loosely translated, "umu" means heat or energy or place of warmth, and "roa" means long, Prosafe said. Hence Umuroa can be considered to mean "long on energy".

Sources: AWE and Prosafe